

Message Text

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43

ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EUR-12 EA-06 NEA-10 ISO-00

ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00

FEAE-00 FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00 NSC-05

OMB-01 PM-03 USIA-06 SAM-01 OES-03 SP-02 SS-15 STR-04

TRSE-00 FRB-03 PA-01 PRS-01 /123 W

----- 042001

R 232159Z JUN 75

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 9205

INFO AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY BEIRUT

AMEMBASSY DOHA

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY QUITO

AMEMBASSY SEOUL

AMEMBASSY TEHRAN

AMEMBASSY THE HAGUE

AMEMBASSY TRIPOLI

AMEMBASSY VIENNA

USMISSION EC BRUSSELS

AMEMBASSY KUWAIT

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PARIS ALSO FOR OECD

EO 11652 NA

TAGS: ENRG VE

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PAGE 02 CARACA 06459 251255Z

SUBJ: MINISTER OF MINES AGAINST DOUBLE PRICE SYSTEM

1. MINISTER OF MINES AND HYDROCARBONS VALENTIN HERNANDEZ SAID ON JUNE 22 THAT VENEZUELA IS OPPOSED TO A TWO-TIER SYSTEM OF PETROLEUM PRICES. THE MINISTER WAS RESPONDING TO QUESTIONS FROM THE PRESS ABOUT REPORTS THAT ALGERIA FAVORED SUCH A SYSTEM IN ORDER TO LESSEN THE IMPACT OF PETROLEUM PRICE INCREASES ON DEVELOPING COUNTRIES. THE MINISTER SAID HE WAS PUZZLED ABOUT THE REPORT FROM ALGERIA SINCE HE HAD SEEN THE ALGERIAN MINISTER FOR PETROLEUM RECENTLY IN GABON AND HE HAD SUGGESTED NOTHING OF THIS TYPE.

2. THE MINISTER SAID THAT HE WAS OPPOSED TO A TWO-TIER PRICE SYSTEM BECAUSE IT IS SUBJECT TO IRREGULARITIES. PURCHASERS TAKING ADVANTAGE OF LOWER PRICES MIGHT RESELL PETROLEUM AT HIGHER PRICES, THEREBY CREATING A COMPETITIVE MARKET. THE MINISTER SAID THAT HE FAVORED INSTEAD A SYSTEM OF FINANCING PETROLEUM EXPORTS WITH NEGOTIATIONS ON A STATE-TO-STATE BASIS.

3. COMMENT: THE GOV HAS STEADFASTLY OPPOSED ANY ARRANGEMENT FOR DIFFERENTIAL PRICES OF PETROLEUM EXPORTS, EVEN TO ITS CLOSEST CLIENTS SUCH AS THE CENTRAL AMERICAN COUNTRIES. SHLAUDEMAN

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Message Attributes

Automatic Decaptioning: X
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Control Number: n/a
Copy: SINGLE
Draft Date: 23 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
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Review Date: 10 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 APR 2003 by ShawDG>; APPROVED <22 SEP 2003 by CunninFX>
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06 JUL 2006

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Review Withdrawn Fields: n/a
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To: STATE
Type: TE
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